



General Assembly

February Session, 2006

Raised Bill No. 5262

LCO No. 1386

01386_____ET_

Referred to Committee on Energy and Technology

Introduced by:
(ET)

***AN ACT CONCERNING MINOR REVISIONS TO THE UTILITY
STATUTES.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Subsection (a) of section 16-19 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2006*):

4 (a) No public service company may charge rates in excess of those
5 previously approved by the authority or the Department of Public
6 Utility Control except that any rate approved by the Public Utilities
7 Commission or the authority shall be permitted until amended by the
8 authority or the department, that rates not approved by the authority
9 or the department may be charged pursuant to subsection (b) of this
10 section, and that the hearing requirements with respect to adjustment
11 clauses are as set forth in section 16-19b, as amended. Each public
12 service company shall file any proposed amendment of its existing
13 rates with the department in such form and in accordance with such
14 reasonable regulations as the department may prescribe. Each electric,
15 electric distribution, gas or telephone company filing a proposed
16 amendment shall also file with the department an estimate of the

17 effects of the amendment, for various levels of consumption, on the
18 household budgets of high and moderate income customers and
19 customers having household incomes not more than one hundred fifty
20 per cent of the federal poverty level. Each electric and electric
21 distribution company shall also file such an estimate for space heating
22 customers. Each water company, except a water company that
23 provides water to its customers less than six consecutive months in a
24 calendar year, filing a proposed amendment, shall also file with the
25 department a plan for promoting water conservation by customers in
26 such form and in accordance with a memorandum of understanding
27 entered into by the department pursuant to section 4-67e. Each public
28 service company shall notify each customer who would be affected by
29 the proposed amendment, by mail, at least one week, but not more
30 than three weeks, prior to the public hearing thereon, that an
31 amendment has been or will be requested. Such notice shall also
32 indicate (1) the date, time and location of the scheduled public
33 hearings, (2) a statement that customers may provide written
34 comments regarding the proposed amendment to the Department of
35 Public Utility Control or may provide comments regarding the
36 proposed amendment by appearing in person at one of the scheduled
37 public hearings, (3) the Department of Public Utility Control telephone
38 number for obtaining information concerning the schedule for public
39 hearings on the proposed amendment, and [(2)] (4) whether the
40 proposed amendment would, in the company's best estimate, increase
41 any rate or charge by twenty per cent or more, and, if so, describe in
42 general terms any such rate or charge and the amount of the proposed
43 increase, provided no such company shall be required to provide more
44 than one form of the notice to each class of its customers. In the case of
45 a proposed amendment to the rates of any public service company, the
46 department shall hold a public hearing thereon, except as permitted
47 with respect to interim rate amendments by subsection (d) and
48 subsection (g) of this section, and shall make such investigation of such
49 proposed amendment of rates as is necessary to determine whether
50 such rates conform to the principles and guidelines set forth in section

51 16-19e, or are unreasonably discriminatory or more or less than just,
 52 reasonable and adequate, or that the service furnished by such
 53 company is inadequate to or in excess of public necessity and
 54 convenience. The department, if in its opinion such action appears
 55 necessary or suitable in the public interest may, and, upon written
 56 petition or complaint of the state, under direction of the Governor,
 57 shall, make the aforesaid investigation of any such proposed
 58 amendment which does not involve an alteration in rates. If the
 59 department finds any proposed amendment of rates to not conform to
 60 the principles and guidelines set forth in section 16-19e, or to be
 61 unreasonably discriminatory or more or less than just, reasonable and
 62 adequate to enable such company to provide properly for the public
 63 convenience, necessity and welfare, or the service to be inadequate or
 64 excessive, it shall determine and prescribe, as appropriate, an adequate
 65 service to be furnished or just and reasonable maximum rates and
 66 charges to be made by such company. In the case of a proposed
 67 amendment filed by an electric, electric distribution, gas or telephone
 68 company, the department shall also adjust the estimate filed under this
 69 subsection of the effects of the amendment on the household budgets
 70 of the company's customers, in accordance with the rates and charges
 71 approved by the department. The department shall issue a final
 72 decision on each rate filing within one hundred fifty days from the
 73 proposed effective date thereof, provided it may, before the end of
 74 such period and upon notifying all parties and intervenors to the
 75 proceedings, extend the period by thirty days.

76 Sec. 2. Subsections (b) and (c) of section 16-6a of the 2006
 77 supplement to the general statutes are repealed and the following is
 78 substituted in lieu thereof (*Effective October 1, 2006*):

79 (b) For any proceeding before the Federal Energy Regulatory
 80 Commission, the United States Department of Energy [or] the United
 81 States Nuclear Regulatory Commission, the United States Securities
 82 and Exchange Commission, the Federal Trade Commission, the United
 83 States Department of Justice or the Federal Communications

84 Commission, or appeal thereof, the Attorney General, upon request of
85 the department, may retain outside legal counsel in accordance with
86 section 3-125 to participate in such proceedings on behalf of the
87 department. All reasonable and proper expenses of such outside legal
88 counsel shall be borne by the public service companies, certified
89 telecommunications providers, electric suppliers or gas registrants that
90 are affected by the decisions of such proceedings and shall be paid at
91 such times and in such manner as the department directs, provided
92 such expenses shall be apportioned in proportion to the revenues of
93 each affected entity as reported to the department for purposes of
94 section 16-49 for the most recent period, and provided further such
95 expenses shall not exceed two hundred fifty thousand dollars per
96 proceeding, including any appeals thereof, in any calendar year unless
97 the department finds good cause for exceeding the limit and the
98 affected entities have an opportunity, after reasonable notice, to
99 comment on the proposed overage. All such legal expenses shall be
100 recognized by the department as proper business expenses of the
101 affected entities for rate-making purposes, as provided in section 16-
102 19e, if applicable.

103 (c) For any proceeding before the Federal Energy Regulatory
104 Commission, the United States Department of Energy, the United
105 States Nuclear Regulatory Commission, the United States Securities
106 and Exchange Commission, the Federal Trade Commission, the United
107 States Department of Justice or the Federal Communications
108 Commission, or appeal thereof, the Attorney General, upon request of
109 the Office of Consumer Counsel, may retain outside legal counsel in
110 accordance with section 3-125 to participate in such proceedings on
111 behalf of the office, provided the work performed on behalf of the
112 office shall not include lobbying activities, as defined in 2 USC 1602.
113 All reasonable and proper expenses of such outside legal counsel shall
114 be borne by the public service companies, certified
115 telecommunications providers, electric suppliers or gas registrants that
116 are affected by the decisions of such proceedings and shall be paid at
117 such times and in such manner as the office directs, provided such

118 expenses shall be apportioned in proportion to the revenues of each
119 affected entity as reported to the department for purposes of section
120 16-49 for the most recent period, and provided further such expenses
121 shall not exceed two hundred fifty thousand dollars, including any
122 appeals thereof, in any calendar year. The Department of Public Utility
123 Control shall recognize all such legal expenses as proper business
124 expenses of the affected entities for rate-making purposes, as provided
125 in section 16-19e, if applicable.

126 Sec. 3. Subsection (a) of section 16-245o of the general statutes is
127 repealed and the following is substituted in lieu thereof (*Effective*
128 *October 1, 2006*):

129 (a) To protect a customer's right to privacy from unwanted
130 solicitation, each electric company or electric distribution company, as
131 the case may be, shall distribute to each customer a form approved by
132 the Department of Public Utility Control which the customer shall
133 submit to the customer's electric or electric distribution company in a
134 timely manner if the customer does not want the customer's name,
135 address, telephone number and rate class to be released to electric
136 suppliers. On and after July 1, 1999, each electric or electric distribution
137 company, as the case may be, shall make available to all electric
138 suppliers customer names, addresses, telephone numbers, if known,
139 and rate class, unless the electric company or electric distribution
140 company has received a form from a customer requesting that such
141 information not be released. [Additional] An electric company or
142 electric distribution company, as the case may be, may release
143 additional information about a customer for the marketing purposes
144 [shall not be released to any electric supplier unless a customer
145 consents to a release] of an electric supplier if the electric supplier
146 obtains a consent to a release from a customer by one of the following:
147 (1) An independent third-party telephone verification; (2) receipt of a
148 written confirmation received in the mail from the customer after the
149 customer has received an information package confirming any
150 telephone agreement; (3) the customer signs a document fully

151 explaining the nature and effect of the release; or (4) the customer's
152 consent is obtained through electronic means, including, but not
153 limited to, a computer transaction.

154 Sec. 4. Subsection (c) of section 16-262j of the general statutes is
155 repealed and the following is substituted in lieu thereof (*Effective*
156 *October 1, 2006*):

157 (c) Each public service company, certified telecommunications
158 provider and electric supplier shall pay interest on any security
159 deposit it receives from a customer at the average rate paid, as of
160 December 30, 1992, on savings deposits by insured commercial banks
161 as published in the Federal Reserve Board bulletin and rounded to the
162 nearest one-tenth of one percentage point, except in no event shall the
163 rate [be less than one and one-half per cent. On and after January 1,
164 1994, the rate] for each calendar year [shall] be [not] less than the
165 deposit index as [defined in] determined by the Banking
166 Commissioner pursuant to subsection (d) of this section for that year
167 and rounded to the nearest one-tenth of one percentage point, except
168 in no event shall the rate be less than one and one-half per cent.

169 Sec. 5. Subdivision (1) of subsection (c) of section 16-8a of the
170 general statutes is repealed and the following is substituted in lieu
171 thereof (*Effective October 1, 2006*):

172 (c) (1) Not more than [thirty] sixty business days after receipt of a
173 written complaint, in a form prescribed by the department, by an
174 employee alleging the employee's employer has retaliated against an
175 employee in violation of subsection (a) of this section, the department
176 shall make a preliminary finding in accordance with this subsection.

177 Sec. 6. Subdivision (1) of subsection (b) of section 16-262c of the
178 general statutes is repealed and the following is substituted in lieu
179 thereof (*Effective October 1, 2006*):

180 (b) (1) From November first to April fifteenth, inclusive, no electric

181 or electric distribution company, as defined in section 16-1, as
 182 amended, no electric supplier and no municipal utility furnishing
 183 electricity shall terminate, deny or refuse to reinstate residential
 184 electric service in hardship cases where the customer lacks the
 185 financial resources to pay his or her entire account. From November
 186 first to April fifteenth, inclusive, no gas company and no municipal
 187 utility furnishing gas shall terminate or refuse to reinstate residential
 188 gas service in hardship cases where the customer uses such gas for
 189 heat and lacks the financial resources to pay his or her entire account,
 190 except a gas company that, between April sixteenth and October
 191 thirty-first, terminated gas service to a residential customer who uses
 192 gas for heat and who, during the previous period of November first to
 193 April fifteenth, had gas service maintained because of hardship status,
 194 may refuse to reinstate the gas service from November first to April
 195 fifteenth, inclusive, only if the customer has failed to pay, since the
 196 preceding November first, the lesser of: (A) Twenty per cent of the
 197 outstanding principal balance owed the gas company as of the date of
 198 termination, (B) one hundred dollars, or (C) the minimum payments
 199 due under the customer's amortization agreement. Notwithstanding
 200 any other provision of the general statutes to the contrary, no electric,
 201 electric distribution or gas company, no electric supplier and no
 202 municipal utility furnishing electricity or gas shall terminate or refuse
 203 to reinstate residential electric or gas service where the customer lacks
 204 the financial resources to pay his or her entire account and for which
 205 customer or a member of the customer's household the termination or
 206 failure to reinstate such service would create a life-threatening
 207 situation.

208 Sec. 7. Subsection (a) of section 16-262d of the general statutes is
 209 repealed and the following is substituted in lieu thereof (*Effective*
 210 *October 1, 2006*):

211 (a) No electric, electric distribution, gas, telephone or water
 212 company, no electric supplier and no municipal utility furnishing
 213 electric, gas or water service may terminate such service to a

214 residential dwelling on account of nonpayment of a delinquent
 215 account unless such company, electric supplier or municipal utility
 216 first gives notice of such delinquency and impending termination by
 217 first class mail addressed to the customer to which such service is
 218 billed, at least thirteen calendar days prior to the proposed
 219 termination, except that if an electric, electric distribution or gas
 220 company, electric supplier or municipal utility furnishing electric or
 221 gas service has issued a notice under this subsection but has not
 222 terminated service prior to issuing a new bill to the customer, such
 223 company, electric supplier or municipal utility may terminate such
 224 service only after mailing the customer an additional notice of the
 225 impending termination, addressed to the customer to which such
 226 service is billed either (1) by first class mail at least thirteen calendar
 227 days prior to the proposed termination, or (2) by certified mail, at least
 228 seven calendar days prior to the proposed termination. In the event
 229 that multiple dates of proposed termination are provided to a
 230 customer, no such company, electric supplier or municipal utility shall
 231 terminate service prior to the latest of such dates. For purposes of this
 232 subsection, the thirteen-day periods and seven-day period shall
 233 commence on the date such notice is mailed. [If such company, electric
 234 supplier or municipal utility does not terminate service within one
 235 hundred twenty days after mailing the initial notice of termination,
 236 such company, electric supplier or municipal utility shall give the
 237 customer a new notice at least thirteen days prior to termination.]
 238 Every termination notice issued by a public service company, electric
 239 supplier or municipal utility shall contain or be accompanied by an
 240 explanation of the rights of the customer provided in subsection (c) of
 241 this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006</i>	16-19(a)
Sec. 2	<i>October 1, 2006</i>	16-6a(b) and (c)
Sec. 3	<i>October 1, 2006</i>	16-245o(a)

Sec. 4	<i>October 1, 2006</i>	16-262j(c)
Sec. 5	<i>October 1, 2006</i>	16-8a(c)(1)
Sec. 6	<i>October 1, 2006</i>	16-262c(b)(1)
Sec. 7	<i>October 1, 2006</i>	16-262d(a)

Statement of Purpose:

To revise the current notice provisions regarding a rate amendment proceeding to encourage customer participation in such proceedings; to expand the listing of federal agencies that the Department of Public Utility Control may, with the approval of the Attorney General, obtain outside counsel in order to participate in such agencies' proceedings; to shift the burden of obtaining customer consent for the release of certain information from the electric distribution companies to the electric supply companies; to clarify language regarding the determination of the appropriate level of interest on a security deposit received by a public service company; to extend the time period for the Department of Public Utility Control to make a preliminary finding on the validity of a utility employee's complaint regarding their employer's misconduct from thirty business days to sixty business days; to clarify language regarding notification of customers by utilities of pending termination of service.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]